



**Nazilli  
Ticaret  
Odası**

Nazilli Chamber of  
Commerce

*Bölgenin Parlayan Yıldızı*



# OLIVE AND OLIVE OIL REPORT



## 1.INTRODUCTION

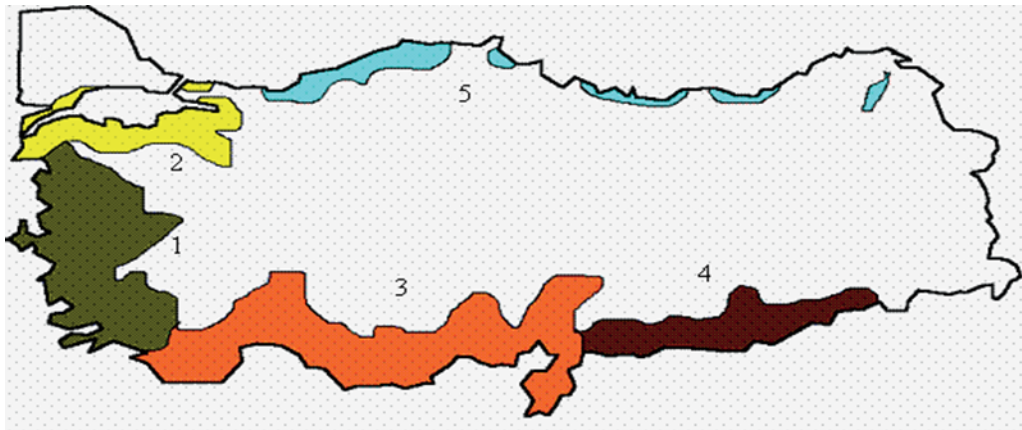
Olive (*Olea europaea* L.), A member of the Oleacea family, his homeland is Upper Mesopotamia and Southern Front Asia, which also includes the southern Anatolia region. Today, the region that includes Mardin, Hatay, Syria, Palestine and the island of Cyprus is considered the homeland of the olive plant, which has been shown as a plant of the twentieth century and has not lost its importance for centuries.

**Image 1. Spread of olive production**



The sacred olive tree is the symbol of the Mediterranean civilization. Around the world, 98% of the 900 million trees are located in the Mediterranean Sea.

**Image 2. Olive production areas in our country**



1. Ege, 2. Marmara, 3. Akdeniz, 4. Güneydoğu Anadolu, 5. Karadeniz)  
(numaralar bölgelerin ağaç sayısı ve üretim miktarlarına göre çoktan aza doğru verilmiştir:

According to TURKSTAT data, our olive tree assets were 100 million in the early 2000s, but with the effect of recent plantings, it increased to approximately 174 million in 2016/17.

The olive oil production average of the last 5 years was approximately 159 thousand tons and the average table olive production was 420 thousand tons and the olive production was 1 million 300 thousand tons in 2016/17, the total olive production was 1 million 730 thousand tons.

Aydın, İzmir, Muğla, Balıkesir, Bursa, Manisa, Çanakkale, Gaziantep and Mersin are important olive producing provinces in Turkey. Aegean, Marmara, Mediterranean and Southern Anatolia regions are important olive producing regions.

There are about 320 thousand family businesses operating in the olive sector in Turkey, of which 14% are made up of Tarış Olive and Oliveoil Union and Marmara Birlik partners. Tarış Olive and Oliveoil have an average of about 22 thousand, and Marmarabirlik has an average of about 30 thousand members.

In recent years, increased interest in long life in addition to healthy and balanced eating habits in the world has increased people's consumption of Olives and olive oil. Olives and olive oil, which are one of the economically and socially important products for producing countries, are also part of a culture that symbolizes the Mediterranean.

Turkey's most important agricultural export product one of olives and olive oil, when our country considering the potential, especially with the resolution of existing problems in the process of accession to the European Union, is one of the products that are competitive for our agricultural sector.

## 2.WORLD OLIVE OIL STATISTICS

### A.WORLD OLIVE OIL PRODUCTION

90% of the worldwide olive cultivation is done in the Mediterranean basin and the rest in Latin American countries. Approximately 17 million tons of grain olives are obtained from 900 million olive trees in approximately 9 million hectares of land in the world. World olive oil production is around 2.85 million tons according to the average of the last five seasons. Important olive oil producer countries are Spain, Italy, Greece, Portugal, Turkey, Tunisia and Syria. Although the share of EU countries in production changes over the years, it is around 68% on average. Spain takes the first place among the EU countries, followed by Italy and Greece. Spain's share in EU production is around 64%.

In addition to these, olive production has been started in countries such as Australia, Japan and Argentina in recent years. In addition to its genetic characteristics, olives show periodicity (yield in one year-less / no in the other year) due to the inability to fully implement cultural processes.

**Table 1. World Olive Oil Production (Thousand Tons)**

Olive Oil Production	2013/14	2014/15	2015/16	2016/17*	2017/18* *
<b>EU Countries</b>	<b>2482.5</b>	<b>1434.5</b>	<b>2324</b>	<b>1751.5</b>	<b>1896</b>
<b>Spain</b>	1781.5	842.2	474.6	182.6	1150
<b>Italy</b>	463.7	222	474.6	182.6	320
<b>Greece</b>	132	300	320	195	300
<b>Portugal</b>	91.6	61	109.1	76.4	110
<b>Other IOC Countries</b>	<b>531.5</b>	<b>855.5</b>	<b>658</b>	<b>606</b>	<b>764.5</b>
<b>Tunisia</b>	70	340	140	100	220
<b>Türkiye</b>	135	160	143	177	263
<b>Morocco</b>	130	120	130	110	120
<b>Algeria</b>	44	69.5	82	63	80
<b>Argentina</b>	30	30	24	21.5	37.5

Jordan	19	23	29.5	20	25
Palestine	17.5	24.5	21	19.5	19
None IOC members	<b>238</b>	<b>168</b>	<b>175</b>	<b>178.5</b>	<b>166</b>
<b>TOTAL</b>	<b>3252</b>	<b>2458</b>	<b>3157</b>	<b>2536</b>	<b>2826.5</b>

Source: \* International Olive Council, November 2017 \* Forecast \*\* Foresight \*\*\* As of April 2018

#### B.WORLD OLIVE OIL EXPORT

COUNTRIES	2013/14	2014/15	2015/16	2016/17*	2017/18**
Italy	233.3	199.6	<b>208.1</b>	<b>214.8</b>	<b>220.0</b>
Spain	289.7	236.8	297.8	330.0	300.0
Portugal	53.8	47.6	40.6	41.2	41.2
Greece	15.Tem	16.Haz	19.Mar	7.0	09.Ağu
France	02.Mar	2.0	02.Mar	02.Şub	01.Eyl
Tunisia	58.0	304.0	102.5	85.5	180.0
Syria	10.0	0.0	4.0	0.0	0.0
Argentina	21.May	12.0	31.0	16.May	30.0
Türkiye	<b>35.0</b>	<b>30.0</b>	<b>30.0</b>	<b>30.0</b>	<b>35.0</b>
Morocco	09.May	25	17.0	20.0	25.0
Others	27	31.May	28	32.5	26.0
<b>Total</b>	<b>785.0</b>	<b>929.0</b>	<b>801.5</b>	<b>798.5</b>	<b>887.0</b>

Source: IOC, November 2017 \* Forecast \*\* Foresight

In parallel with production in olive oil exports, EU countries take the first place, followed by Tunisia and Turkey.

#### C. WORLD OLIVE OIL IMPORT

COUNTRIES	2013/14	2014/15	2015/16	2016/17*	2017/18*
USA	302.5	294.5	314.0	302.0	302.0
EU	53	224.5	97.5	121.0	127.5
Brazil	72.5	66.5	50.0	59.0	60.0
Japan	54	59	53.5	53.0	53.0
Canada	40.5	37.5	41.0	41.0	41.0
Australia	28	22	26.0	29.0	29.0

Others	229	216.5	218.5	190.5	206.5
<b>Total</b>	<b>779.5</b>	<b>920.5</b>	<b>800.5</b>	<b>795.5</b>	<b>819.0</b>

Source: IOC, November 2017 \* Forecast \*\* Foresight

It is seen that developed countries take the first place in olive oil imports. Although the United States ranks first with up to 36% of imports, especially Italy and Spain are producers and exporters among the EU countries, they are also seen as an important importing country.

#### D.WORLD OLIVE OIL CONSUMPTION

Table 4. World Olive Oil Consumption (Thousand Tons)

COUNTRIES	2013/14	2014/15	2015/16	2016/17*	2017/18* *
EU	1731.0	1604.5	1667.5	1437.4	1530.5
USA	301.5	295.0	317.0	298.0	302.0
<b>Türkiye</b>	<b>105</b>	<b>125.0</b>	<b>124.0</b>	<b>130.0</b>	<b>140.0</b>
Syria	170.5	126	106.0	110.0	100.0
Morocco	120	120	120	100.0	120.0
Brazil	72.5	66.5	50.0	59.0	60.0
Australia	37	37	42.0	45.0	45.0
Tunisia	37	30	35.0	25.0	35.0
Others	501	512	524.5	501	541.5
<b>Total</b>	<b>307</b>	<b>2.851,50</b>	<b>3003.0</b>	<b>2705.4</b>	<b>2874.0</b>

Source: IOC, November 2017 \* Forecast \*\* Foresight

EU countries take the first place in olive oil consumption. It is seen that the consumption of Turkey, which is a producer country, is steadily increasing, but the annual consumption of olive oil per person remains at 2 liters.

#### E. WORLD OLIVE OIL SUPPLY AND DEMAND BALANCE

Years	2015/16	2016/17*	2017/18**
Season opening stock	350.5	503.5	331.5
Production	3157.0	2536.0	2925.0

Import	800.5	795.5	819.0
<b>Total Supply</b>	<b>4308.0</b>	<b>3835.0</b>	<b>4075.5</b>
Export	801.5	798.5	887.0
Internal consumption	3003.0	2.705.0	2874.0
<b>Total demand</b>	<b>3804.5</b>	<b>3503.5</b>	<b>3761.0</b>
End Season stocks	503.5	331.5	314.5

Source: IOC, November 2017 \* Forecast \*\* Foresight

According to the calculation made from the IOC data, it is seen that the supply generally coincided with the demand in the 2016/17 season, and the total supply was 3.8 million tons and the demand was 3.5 million tons, and it is estimated that an increase in production is expected compared to the previous season.

### 3. WORLD TABLE OLIVE STATISTICS

#### A.WORLD TABLE OLIVE PRODUCTION

Table 6.World Table Olive Production (Thousand Tons)

COUNTRIES	2013/14	2014/15	2015/16	2016/17*	2017/18**
EU	794	860	860	847.0	873.0
<b>Türkiye</b>	<b>430</b>	<b>390</b>	<b>397.0</b>	<b>433.0</b>	<b>450.0</b>
Egypt	400	450.5	470	500.0	650.0
Algeria	208	233,5	233.0	293.0	234.0
Syria	120	75	150.0	190.0	100.0
Morocco	120	100	120	110.0	120.0
Argentina	140	120	50	95.0	105.0
Others	448,5	344	370	406	422
<b>Total</b>	<b>2.660,50</b>	<b>2.573.0</b>	<b>2.650.0</b>	<b>2874.0</b>	<b>2954.0</b>

Source: IOC, November 2017 \* Forecast \*\* Foresight

World table olive production in the last five seasons in the average remained at 2.74 million tons, the most important producer countries are the EU, Turkey, Egypt, Algeria, Morocco and Syria.

Spain takes the first place among EU countries, followed by Greece and Italy. It is estimated that Spain's share in EU production in the 2016/17 season was 65%.

## B.WORLD TABLE OLIVE EXPORT

Table 7. World Table Olive Export (Thousand Tons)

COUNTRIES	2013/14	2014/15	2015/16	2016/17*	2017/18**
EU	283,5	315	271.5	296.0	307.0
Egypt	65	46.5	90	100.0	200.0
Morocco	87	78	80	77.0	70.0
Türkiye	70.5	63.5	73	80.0	80.0
Argentina	72	46.5	48	66.0	65.0
Syria	5	4	5	0	0
Others	55	50.5	45.5	43.5	54
Total	638	604	613	662.5	776.0

Source: IOC, November 2017 \* Forecast \*\* Foresight

In parallel with production in olive exports, EU countries take the first place, followed by Egypt, Turkey and Morocco.

## C.WORLD TABLE OLIVE IMPORT

Table 8. World Table Olive Imports (Thousand Tons)

COUNTRIES	2013/14	2014/15	2015/16	2016/17*	2017/18**
USA	135,5	152	145	142.0	142.0
Brazil	114	103	97	114.0	114.0
EU	93	93	113.5	97.0	98.0
Russia	72.5	23	22	22.0	22.0
Canada	29	29	30	28.0	30.0
Australia	18	15,5	16	17.5	17.5
Others	205.5	193.5	198.5	199.5	192.5
Total	667.5	609	622	620.0	616.0

Source: IOC, November 2017 \* Forecast \*\* Foresight

It is seen that developed countries take the first place in olive imports, as in olive oil. It is noteworthy that while the USA takes the first place in imports, the EU countries, which rank first in production, are also an important importer.

#### D. WORLD OLIVE CONSUMPTION

**Table 9. World Table Olive Consumption (Thousand Tons)**

COUNTRIES	2013/14	2014/15	2015/16	2016/17*	2017/18**
EU	530,5	549.5	618	601.0	601.0
Türkiye	355	330	327,5	350.0	380.0
USA	210,5	185	192	203.0	203.0
Syria	107	92	145	180.0	112.0
Brazil	114	103	97	114.0	114.0
Morocco	33	30	33	31.0	30.0
Tunisia	21	26	24	20.0	25.0
Australia	21	19,5	20	17.5	21.5
Others	1.101,50	1152	1.138,50	1235.5	1248.5
<b>Total</b>	<b>2.493,50</b>	<b>2.487.5</b>	<b>2.595</b>	<b>2752.0</b>	<b>2735.0</b>

Source: IOC, November 2017 \* Forecast \*\* Foresight

World table olive consumption has increased by 157 thousand tons in 2016/17 season compared to 2015/16 season. The observed 12% increase in EU countries, the consumption of Turkey It is estimated to have increased by 7%.

#### E. WORLD TABLE OLIVE SUPPLY AND DEMAND BALANCE

**Table 10. World Table Olive Supply-Demand Balance (Thousand Tons)**

Years	2015/16	2016/17*	2017/18**
Season opening stock	436.5	376.5	344.0
Production	2584.5	2874.0	2954.0
Import	614.5	620.0	616.0
<b>Total Supply</b>	<b>3635.5</b>	<b>3870.5</b>	<b>3914.0</b>
Export	611.5	662.5	776.0
<b>Internal consumption</b>	<b>2537.0</b>	<b>2752.0</b>	<b>2735.0</b>



Total demand	3148.5	3414.5	3511.0
Production losses	110.5	112.0	106.0
End Season stocks	376.5	344.0	297.0

Source: IOC, November 2017 \* Forecast \*\* Foresight

According to the calculation made from the IOC data, it is estimated that the supply coincided with the demand in the 2016/17 season, the total supply was 3.9 million tons and the demand was 3.4 million tons, and the change in the demand experienced in the last season reduced the end-season stocks compared to the previous season.

#### 4. TÜRKİYE'S OLIVE OIL AND TABLE OLIVE PRODUCTION, EXPORT, IMPORT AND CONSUMPTION

##### A. TÜRKİYE OLIVE OIL AND TABLE OLIVE PRODUCTION

According to TUIK data; In 2016/17 season, olive planting area is 846.061 hectares. Our olive planting areas, which were 774.370 hectares in 2007/08 season, have continuously increased and reached 2.3% of the usable agricultural areas. It is estimated that the production season of 2016/17 is in line with the previous season, and it is predicted that olive oil production will be 263 thousand tons in 2017/18.

Table 11. TUIK's Olive Tree Statistics

YEARS	Area (Hectares)	Number of Trees		
		Fruiting	Fruitless	Total Number of Trees (Thousand)
2008	774.370	106.139	45.491	151.630
2009	778.413	109.127	44.596	153.723
2010	826.199	111.398	45.758	157.156
2011	798.493	117.941	37.486	155.427
2012	813.765	120.820	37.084	157.904
2013	813.765	129.161	37.869	167.030
2014	826.091	140.712	28.285	168.997
2015	836.934	144.759	27.231	171.991
2016	845.542	147.404	26.354	173.758
2017*	846.061	148.262	26.331	174.593

Source: TUIK \* data are provisional.

Statistics of olive for oil are included in the data of the statistical institution of Turkey, and there is no direct data on olive oil production. In the past periods, in addition to the statistical institution of Turkey, the National Olive and Olive Oil Council conducted production forecasting studies, and since the values related to olive oil production are also included, these considerations are also shown in the table below.

Table 12. Türkiye Olive and Olive Oil Production

SEASON S	Olive grain per tree	Olive obtained (Ton)	Olives reserved for food (Ton)	Olives reserved for oil (Ton)	Olive oil obtained(Ton)	Olive amount per 1 kg of olive oil (Kg)
2005/06	8,6	1.200.000	400.000	800.000	101.094	7,9
2006/07	14,5	1.766.749	555.749	1.211.000	166.324	7,3
2007/08	5,7	1.075.854	455.385	620.469	72.021	8,6
2008/09	10,6	1.464.248	512.103	952.145	159.366	5,9
2009/10	11,7	1.290.654	460.013	830.641	169.752	4,8
2010/11	9,7	1.415.000	375.000	1.040.000	158.384	6,5
2011/12	9,7	1.750.000	550.000	1.200.000	191.000	6,2
2012/13	9,7	1.820.000	480.000	1.340.000	195.000	6,8
2013/14	6,7	1.676.000	390.000	1.286.000	160.000	8
2014/15	12,5	1.768.000	438.000	1.330.000	190.000	7
2015/16	11,7	1.700.000	400.000	1.300.000	175.000	7,4
2016/17	9	1.730.000	430.000	1.300.000	175.000	7,4
2017/18*	13,4	2.100.000	460.000	1.640.000	263.000	6,25

Source: TUIK- National Olive and Olive Oil Council \* Foresight

#### B.TÜRKİYE OLIVE OIL AND TABLE OLIVE EXPORTS

Table 13. Exports of olive oil and the average export price for Türkiye

Years	Quantity (Kg)	Amount (\$)	Average price (\$/ Kg)
2007/08	19.389.416	77.203.652	3,98
2008/09	31.527.383	100.376.461	3,18
2009/10	20.016.259	67.991.315	3,4
2010/11	13.963.321	52.266.536	3,74
2011/12	25.795.779	81.040.657	3,14
2012/13	96.622.572	305.345.529	3,16
2013/14	24.055.219	91.517.849	3,8
2014/15	14.062.106	63.384.352	4,51
2015/16	19.119.745	72.744.829	3,8
2016/17*	53.566.859	207.638.532	3,88

Source: TUIK \* data are provisional.

Our country's olive oil exports can show sharp increases and decreases due to fluctuations in olive oil production, which change from year to year, and accordingly. The increase and decrease in production in processing technology, marketing policies and other producer principles stand out as other important elements affecting our exports.

**Table 14. Export of Table Olive Türkiye**

Years	Green Olive		Black Olive		Total	
	Quantity (Kg)	Amount (\$)	Quantity (Kg)	Amount (\$)	Quantity (Kg)	Amount (\$)
2006/07	10.625.917	19.376.960	56.657.348	72.989.290	67.283.265	123.940.613
2007/08	6.470.868	16.657.203	52.967.699	90.390.044	59.438.567	112.406.266
2008/09	9.115.384	18.135.136	53.765.230	81.724.467	62.880.614	116.645.844
2009/10	13.233.891	23.703.179	59.114.467	93.687.926	72.348.358	117.391.105
2010/11	12.563.825	24.480.695	59.697.617	102.048.067	72.261.442	126.528.762
2011/12	13.979.344	25.316.615	59.280.250	94.959.106	73.259.594	120.275.721
2012/13	15.145.801	28.813.772	61.901.474	101.807.517	77.047.275	130.621.289
2013/14	15.021.413	29.878.904	62.815.281	104.956.215	77.836.694	134.835.119
2014/15	13.940.820	26.997.349	55.227.299	97.627.749	69.168.119	124.625.098
2015/16	11.341.655	23.740.357	46.261.527	93.522.827	57.603.182	117.263.184
2016/17 *	10.537.225	20.040.140	48.416.560	92.257.402	59.009.071	112.441.800

Source: TUIK \* data are provisional.

#### B. TÜRKİYE IMPORTS OF OLIVE OIL AND TABLE OLIVE

Although olives and olive oil in Turkey are not significant, up to 60 tons of imports have been made in periods, it is not included in the report because it does not constitute a statistical value.

#### C. TÜRKİYE OLIVE OIL AND TABLE OLIVE CONSUMPTION

**Table 15. Türkiye Consumption of olive oil**

Seasons	Consumption Amount (1000 Ton)
2006/07	80
2007/08	85
2008/09	108
2009/10	110
2010/11	131
2011/12	150
2012/13	150
2013/14	105
2014/15	125
2015/16	124

<b>2016/17*</b>	130
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**Source: IOC \* Forecast**

When we looked at the consumption values of our country, which is moving rapidly in the production of olive oil, the consumption of olive oil in our country has increased. In our country, the annual consumption of olive oil per person is 1.5 liters, which is about 9 liters on average in other IOC member countries. Per person consumption by country was examined; Greece 12 liters, Spain and Italy 10 liters, Tunisia, Portugal, Lebanon and Syria 6 liters around.

**Table 16. Olive Consumption In Türkiye**

Seasons	Consumption Amount (1000 Ton)
<b>2007/08</b>	190
<b>2008/09</b>	240
<b>2009/10</b>	260
<b>2010/11</b>	300
<b>2011/12</b>	350
<b>2012/13</b>	410
<b>2013/14</b>	430
<b>2014/15</b>	390
<b>2015/16</b>	397
<b>2016/17*</b>	433

**Source: IOC \* Forecast**

Our table olive consumption, which has increased since 2007/08 season, reached 397 thousand tons in 2015/16 season and it is estimated to be 433.000 tons in 2016/17 season.

#### **OLIVE OIL SUPPLY-DEMAND BALANCE IN TÜRKİYE**

**Table 17. Türkiye Olive Oil Supply-Demand Balance (Thousand Tons)**

Years	2012/13	2013/14	2014/15	2015/16	2016/17*
<b>Season opening stock</b>	23.5	23.5	18.5	23.5	22.5
<b>Production</b>	195	135	160	143	177
<b>Import</b>	-	-	-	-	-
<b>Total Supply</b>	<b>218.5</b>	<b>158.5</b>	<b>178.5</b>	<b>166.5</b>	<b>199.5</b>
<b>Export</b>	92	35	30	20	30
<b>Internal consumption</b>	150	105	125	124	130
<b>Total demand</b>	<b>242</b>	<b>140</b>	<b>155</b>	<b>144</b>	<b>160</b>
<b>End Season stocks</b>	23.5	18.5	23.5	<b>22.5</b>	<b>39.5</b>

**Source: IOC \* Forecast**

In the 2016/17 season, production and consumption increased compared to the previous year and an increase of 50% was observed in exports, while 39.5 tons of stock was entered at the end of the season.

#### D. TÜRKİYE TABLE OLIVE SUPPLY-DEMAND BALANCE

**Table 18. Türkiye Table Olive Supply-Demand Balance (Ton)**

Years	2012/13	2013/14	2014/15	2015/16	2016/17*
Season opening stock	69,5	59,5	22	18,5	15
Production	410	430	390	397	433
Import	-	-	-	-	-
Total Supply	479,5	447,5	412	415,5	448
Export	70	70,5	63,5	73	80
Internal consumption	350	355	330	327,5	350
Total demand	420	425,5	393,5	400,5	430
End Season stocks	59,5	22	18,5	15	18

Source: IOC \* Forecast

Considering the total supply and demand values of Table Olives, it is seen that there was an increase in value compared to the previous season in the 2016/17 season, and it is estimated that the total supply met the total demand and the end-of-season stock increased compared to the previous year.

#### 5.MARKET PRICES

The following table shows olive oil prices, which fluctuate according to the months since 2008. The amount of production in the 2016/17 season, which was parallel to production in the 2015/16 season, was also reflected in parallel with prices.

**Table 19. Raw assorted acid olive oil prices (average TL / Kg)**

MONTHS	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
January	4,48	3,88	3,42	4,32	5,45	3,96	6,05	8,11	14,19	10,95
February	4,65	3,8	3,46	4,55	5,27	4,08	6,11	9,12	13,87	12,61
March	4,39	4,05	3,71	4,66	4,24	3,96	6,22	10,19	11,51	12,65
April	4,56	4	3,91	4,43	4,29	3,93	5,63	9,36	10,47	14
May	4,66	4,22	4,07	4,67	4,55	3,78	5,97	9,17	10,24	13,25
June	4,75	4,29	3,76	4,53	4,28	3,87	5,56	10,39	10,36	13,68
July	4,64	4,32	3,93	4,66	4,07	3,76	6,55	11,85	10,01	13,26
August	4,53	4,13	3,92	4,58	4,01	3,73	5,79	12,1	8,8	13,02
September	4,52	4,22	4,08	4,43	4,01	3,78	5,64	11,59	7,76	12,63
October	4,36	4,31	4,34	4,09	3,94	3,67	5,07	9,68	7,62	12,17
November	3,86	4,26	4,04	4,85	4,59	3,68	5,91	11,2	9,85	13,04

December	3	3,39	3,92	4,48	4,32	3,61	6,06	12,23	9,46	13,13
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Source: Izmir Commodity Exchange (averages calculated according to the highest trading volume from monthly bulletins)

## 6.AGRICULTURAL PRODUCER ORGANIZATIONS IN OLIVE OIL AND TABLE OLIVES

Organization of producer organizations in our country; made under

- Law No. 4572 on agricultural sales Cooperatives and associations,
- Law No. 1163, Cooperatives
- Law No. 5200 On Agricultural Producer Associations

Most of the olive and olive producers are organized under the roof of agricultural sales cooperatives associations. In this context, agricultural sales cooperatives and associations provide support to the producer by purchasing table olives and olive oil produced in our country. Since the associations are strong buyers of Table Olives and olive oil, our country's olive production is also carried out in the purchase zones of the associations.

**Table 20. Unions of Agricultural Sales Cooperatives Buying Olive and Olive Oil**

Union name	Field of Activity	Number Of Cooperatives Of The Union	Member Number Of Unions
TARIŞ	Olive oil and Table olives	31	21.728
MARMARABİRLİK	Table olives and Olive oil	8	29.649

Tariş Olive and Olive Oil Union and Marmarabirlik, which are agricultural sales cooperatives operating in the field of table olives and olive oil, carry out production, processing and marketing activities within the sector by making direct purchases.

Unions can give credit in kind to their partners for main production inputs such as chemical fertilizers and pesticides, as well as cash loans when their financial structures are suitable. In addition, they also carry out training and publication activities for their producers.

The Tariş Olive and Olive Oil Association has a share of 8.08% in the regional production, a daily processing capacity of 7,055 tons in 37 enterprises affiliated with its cooperatives, a modern refinery with a refining capacity of 75,000 tons / year, a table olive packaging facility with a capacity of 3,000 tons / year, an olive oil storage capacity of 28,000 tons, It has one of 76 laboratories accredited by the OIC, an olive oil packaging capacity of 55,500 tons / year and 51 kinds of brands registered in 46 countries.

**Table 21. Olive Oil Purchase Amount and Prices of Tariş Olive and Olive Oil Association**

Years	Olive oil intake amount (Ton)	Purchase price (TL/Kg)
2006/07	12.458	4,49
2007/08	2.824	4,93
2008/09	8.719	3,92
2009/10	8.381	4,09
2010/11	6.215	4,67

2011/12	8.228	5,43
2012/13	11.857	4,95
2013/14	2.824	5,79
2014/15	4.732	6,93
2015/16	4.822	14,19
2016/17	3.503	10,35
2017/18*	5.455	13.63

**Source: Tariş Olive and Olive Oil Association \* As of April 2018**

Marmarabirlik purchases and processes approximately 36% of the region's olives with approximately 90 thousand tons of table black olive harvest and 32 thousand tons of olives grown in its region and plays an important role in regulating the market in favor of producers in table pickled black olives. Marmarabirlik processes some of the olives it buys as oil.

Seasons	Total olive purchase amount (tons)	Olives allocated for oil from purchased olives (tons)	Amount of olive oil produced (tons)
2005 / 2006	50.826	5.537	1.383
2006 / 2007	28.015	3.674	780
2007 / 2008	30.767	6.446	1.614
2008 / 2009	37.183	1.428	311
2009 / 2010	31.201	1.516	301
2010 / 2011	29.356	3.502	639
2011 / 2012	45.246	16.813	3.146
2012 / 2013	44.369	3.796	774
2013 / 2014	23.798	2.492	512
2014 / 2015	26.760	968	150
2015 / 2016	36.748	1.185	231
2016 / 2017	31.582	2.407	498
2017/ 2018*	51.485	2.555	522

**Source: Marmarabirlik \* As of April 2018**

In order to transfer to the Olive and Olive Oil Licensed Warehouse to be established in the future by taking advantage of the support provided within the scope of the Union Licensed Warehousing Development Project; It built a 5,000-ton olive oil storage and 13,000-ton table olive storage. The Association has started to purchase olives by obtaining an operating license for the said warehouses, and these warehouses create an important capacity in the sector.

Considering that the Union, which has a storage capacity of 83,000 tons of olives and 4,000 tons of olive oil, has to keep table olives in brine for 1 year, only 36,200 tons of new harvest olives are stored for 2016/17.

## 7. AGRICULTURAL SUPPORT

Olive oil was first supported in 1966 as one of the 24 agricultural products included in the Supporting Purchase, until 1986, and it was excluded from the scope of support between 1987-1990. Olive oil, which was included in the scope of re-support in 1991, was excluded from the scope of re-support with the decisions of April 5, 1994.

The practice has been replaced by Union purchase prices from time to time, and since 1998, support payments have been converted into premium payments. With premium payments, it is aimed to comply with the World Trade Organization (WTO) and the EU Common Agricultural Policies, to increase tax revenues by recording the economy, to ensure agricultural registration and inventory, to protect producers and industrialists at the same time, to encourage production, and to provide raw materials to industry at world prices.

While determining the amount of direct support provided to olive oil producers under the name of “support premium”, although it changes periodically, domestic and foreign market prices, production costs and budget possibilities are taken into consideration.

**Table 23. Amount of Premium Paid years as the olive oil in Turkey**

Years	Premium Base Price (Kr/Kg)
2006	11
2007	20
2008	18,9
2009	25
2010	30
2011	50
2012	50
2013	60
2014	70
2015	70
2016	70
2017	80

**Source: Ministry of Food, Agriculture and Livestock**

In addition to premium support, olive producers have been provided with diesel and fertilizer support since 2003. The diesel and fertilizer support payments to olive producers in Turkey are held every 3 months.

**Table 24. Diesel and fertilizer support used by olive producers in Turkey**



<b>Years</b>	<b>Area</b>	<b>Fertilizer support</b>	<b>Diesel support</b>
Product Groups 2005 / 2006 Maximum 500	Vegetables, fruits (ZEYTIN), ornamental plants, Special Meadow-pasture, Forest	1	1,5
Product Groups 2007/ 2008 Maximum 500	Vegetables, fruits (ZEYTIN), ornamental plants, Special Meadow-pasture, Forest	1,5 5	1,8
Product Groups 2008/2009 Maximum 500	Cereals, forage crops legumes,tubers, vegetables,fruit fields	3,8 3	2,93
Product Groups 2009/2010 Maximum 500	Cereals, forage crops legumes,tubers, vegetables,fruit fields	4,2 5	3,25
Product Groups 2010/2011 Maximum 500	Cereals, forage crops legumes,tubers, vegetables,fruit fields	4,7 5	3,75
Product Groups 2011/2012 Maximum 500	Cereals, forage crops legumes,tubers, vegetables,fruit fields	5	4
Product Groups 2012/2013 Maximum 500	Cereals, forage crops legumes,tubers, vegetables,fruit fields	5,5	4,3
Product Groups 2013/2014 Maximum 500	Cereals, forage crops legumes,tubers, vegetables,fruit fields	6	4,6
Product Groups 2014/2015 Maximum 500	Cereals, forage crops legumes,tubers, vegetables,fruit fields	6,6	4,85
Product Groups 2015/2016 Maximum 500	Cereals, forage crops legumes,tubers, vegetables,fruit fields	11	
Product Groups 2016/2017 Maximum 500	Cereals, forage crops legumes,tubers, vegetables,fruit fields	11	

**Source: Ministry of Food, Agriculture and Livestock**

Since 2006, olive producers have been supported in order to increase the use of certified olive seedlings and to expand the olive garden facility with at least 10 decarees of healthy seedlings. The unit price for certified seedlings support, payment amounts by area are as follows.

**Table 25. Certified Olive seedling Support Unit prices (TL / Da)**

PRODUCTS	2013	2014	2015	2016	2017
	(TL/da)	(TL/da)	(TL/da)	(TL/da)	(TL/da)
Garden plant with vineyard, Olive and other fruit seedlings	certified 100	certified 100	certified 150	certified 150	certified 280
	uncertified 50	uncertified 50	uncertified 50	uncertified 50	Standart 100

Within the scope of the "Implementation Communiqué on Biological and / or Biotechnical Struggle Support Payment in Crop Production", in which the application principles of the Support payment published in 2017 are determined, a support payment of 30 TL / da is made to the olive as the Biotechnical Struggle Support Payment.

## 8. FOREIGN TRADE APPLICATIONS

Within the framework of the World Trade Organization Agriculture Agreement, export refund payment is made for the export of olive oil and table olives, which are among the 44 product / product groups that our country can support.

In accordance with the Communiqué No. 2012/2 of the Money-Credit and Coordination Board regarding Export Return Assistance in Agricultural Products published in the Official Gazette dated April 6, 2012 and numbered 28256; In order to provide higher added value to the exported products, to encourage branding in exports and to increase boxed exports, it was decided to make a higher rate of export return in small packages and branded exports.

### In table olives;

\_ 2001.20.05 G.T.I.P. If the olives below are exported in packages over 18 kg (net weight), they will not be included in the offsetting account. For olives included in 20.01, 20.04 and 20.05 G.T.I.P., the export return rate is 50 TL / ton, the amount threshold is 55% and the maximum payment rate is 2%,

\_ 2001.90.65.00.15,25; In packages with a net weight of 2-5 kg (including 5 kg) included in GTIPs of 2004.90.30.00.17,27 and 2005.70.00.00.15,25, they are exported with the words "registered Turkish Brands" and "Made in Turkey". The export refund amount for the purchased olives is 252 TL / ton, the amount threshold is 55%, the maximum payment rate is 13%,

\_ 2001.90.65.00.14,24; In packages with a net weight of 1-2 kg (including 2 kg) included in HS Code 2005.70.00.00.14,24 and 2004.90.30.00.16,26 and 2005.70.00.00. The export refund amount for the olives obtained is 370 TL / ton, the amount threshold is 55%, the maximum payment rate is 13%,

\_ 2001.90.65.00.13,23; Exported with the words "registered Turkish Brands" and "Made in Turkey" in packages with a net weight of up to 1 kg (including 1 kg) included in the HS codes 2004.90.30.00.15,25 and 2005.70.00.00.13,23 For olives, the export refund amount is 540 TL / ton, the amount threshold is 55% and the maximum payment rate is 13%.

### In olive oil;

\_ Olive oil is included in the offsetting account if it is exported in packages with a maximum net weight of 5 kg (including 5 kg).

\_ Exports for olive oils exported under the words "registered Turkish Brands" and "Made in Turkey" in packages with a net weight of 2-5 kg (including 5 kg) included in HS Code 1509.90.00.00.16 and 1509.10.90.00.13 the refund amount is 386 TL / ton, the amount threshold is 100%, the maximum payment rate is 10%,

\_ Exports for olive oils exported with the words "registered Turkish Brands" and "Made in Turkey" in packages with a net weight of 1-2 kg (including 2 kg) included in HS Code 1509.90.00.00.15 and 1509.10.90.00.12 the refund amount is 725 TL / ton, the amount threshold is 100%, the maximum payment rate is 15%,

\_ Including HS Codes 1509.90.00.00.14, 1509.10.90.00.11 and 1516.20.91.00.14; in packages with a net weight up to 1 kg (including 1 kg " For the exported olive oil with the words "registered Turkish Brands" and "Made in Turkey , the export refund amount is 1400 TL / ton, the amount threshold is 100% and the maximum payment rate is 20%.

**Table 26. Customs duties and export returns applied in olive oil import**

Years	Tax from imports (%)	Export supports and quantity Dam ( TL/Ton)	Duration Of Export Support
2006	31,2	100 (%100)	1-1-2006 / 31-12-2006
2007	31,2	125 (%100)	1-1-2007 / 31-12-2007
2008	31,2	100 (%100)	1-1-2008 / 31-12-2008
2009	31,2	100 (%100)	1-1-2009 / 31-12-2009
2010	31,2	80 (%100)	1-1-2010 / 31-12-2010
2011	31,2	40 (%100)	1-1-2011 / 31-12-2011
2012	31,2	40 (%100)	1-1-2012 / 31-12-2012
2013	31,2	40 (%100)	1-1-2013 / 31-12-2013
2014	31,2	50 (%100)	1-1-2014 / 31-12-2014
2015	31,2	30 (%100)	1-1-2015 / 31-12-2015
2016	46,8	30 (%100)	1-1-2016 /31-12-2016
2017	31,2	30 (%100)	1-1-2017 /31-12-2017

## 9.LICENSED STORAGE APPLICATIONS IN OLIVE OIL AND TABLE OLIVES

5300 law on licensed storage of Agricultural Products has been put into force and the necessary regulations on the implementation of the law have been prepared and published in the Official Gazette. In addition, olive oil licensed warehouse communiqué was published in the Official Gazette and entered into force.

### Basic qualifications and conditions of establishment of licensed warehouses:

\* Joint Stock Company,

- \* Establishment and Activity Permit from the ministry,
- \* At least 1 trillion TL paid-in capital according to storage capacity,
- \* Guarantee of warehouse capacity not less than 15% of the fair value of the product,
- \* Insurance requirement of operating facilities and stored products,
- \* Contractual obligation with the relevant stock market,
- \* Other conditions and technical requirements shown in the regulation can be listed as.

**What is expected from the licensed warehouse system in terms of Table Olives and olive oil;**

- \* Storage of products in healthy conditions and objective analysis and classification,
- \* Elimination of periodic supply intensity and related producer victimization,
- \* Providing financial depth in product markets and eliminating the possibility of price determination of a limited number of actors,
- \* Convenient and timely supply of raw materials to the industrialist,
- \* Registration of product trade,
- \* Easy orientation of support to target audiences and effectiveness in this area boosting,
- \* The introduction of alternative and low-cost financing opportunities can be listed as.

**Development of licensed warehouse capacity of manufacturer associations project (BLGP)**

It is aimed to modernize the existing capacities of the manufacturer associations and integrate them into the licensed warehouse system with the development of the licensed warehouse capacities of the unions. 50% of the cost of the construction of a licensed warehouse of olive oil and Table Olives in Marmarabirlik, whose conditions are also appropriate by the World Bank, was covered as a grant by the Treasury with World Bank loans from the C/3 component of the Agricultural Reform Implementation Project. In this context, the union has built 5,000 tons of olive oil storage and 13,000 tons of table olive storage.

**10. INWARD PROCESSING REGIME (DIR) APPLICATIONS**

During periods when production is insufficient, an internal processing permit can be issued in terms of not losing acquired foreign markets. If there are no problems in terms of quality in olive oil to be imported, imports are taking place. In the current situation, based on the amount of production, an internal processing permit is not issued.

**11. GENERAL SITUATION OF OUR OLIVE OIL AND TABLE OLIVE ENTERPRISES**

**A. OLIVE OIL PROCESSING PLANTS**

Classical and modern systems are used in olive oil production. It is possible to group the classical system as vices, Dry System (Super presses) and water system (bagged, hydraulic presses). Modern (continuous centrifugation) systems can be grouped as 2-phase continuous centrifugation System, 3-

phase continuous centrifugation system, percolation system, combined percolation and centrifugation (sinoleo) system.

Classic System oil houses constitute an important part of the olive oil sector in our country. These enterprises are seasonally operated facilities, and these systems cause significant quality and yield losses in olive oil production. In these enterprises, the efficiency is low and the cost is high, and it is difficult to comply with the quality criteria of the product obtained.

On the other hand, oils pressed in oilfields are stored by the manufacturer under inappropriate conditions and sent to industry after the formation of elements such as price, supply and demand.

According to the records of the Ministry of Food, Agriculture and livestock in 2008, 251 establishments processing olive oil (processing-packaging) were granted food registration and 1,014 products were allowed to produce. These businesses are located mainly in olive producing regions.

**Table 27. Olive Oil Processing Plants On A Provincial Basis**

Provinces	Food Registry (Piece)	Production permit(Piece)
Afyon	1	1
Ankara	6	20
Antalya	10	13
Aydın	18	72
Balıkesir	76	460
Çanakkale	13	37
Çorum	--	2
Edirne	3	8
Gaziantep	3	8
Hatay	1	3
Mersin	6	13
Istanbul	6	12
Izmir	52	262
Kocaeli	2	17
Konya	2	7
Kütahya	--	1

Manisa	43	53
Muğla	3	9
Samsun	1	1
Tekirdağ	4	14
Osmaniye	1	1
<b>Toplam</b>	<b>251</b>	<b>1.014</b>

Source: Ministry of Food, Agriculture and Livestock

Figure 3. Provinces Where Olive Oil Enterprises Are Located



Source: Ministry of Food, Agriculture and Livestock

## B.TABLE OLIVE PROCESSING PLANTS

A large number of small-capacity family businesses form the basis of the businesses. The lack of infrastructure limits the production and efficiency of the desired quality. According to the food registry data of the Ministry of Food, Agriculture and livestock in 2008, there were 388 facilities that processed table olives in our country. A production permit certificate has been issued for a total of 1,751 product types produced in these facilities.

Table 28. Table Olive Processing Plants On A Provincial Basis

Figure 4. Provinces Where Olive Enterprises Are Located



Source: Ministry of Food, Agriculture and Livestock

## 12. PROBLEMS OF THE SECTOR AND SOLUTIONS

### A. PROBLEMS AND SOLUTIONS RELATED TO PRODUCTION

\* Recolte prediction studies are conducted based only on the experience and observations of experts. A geographic information system and reliable database should be created using remote sensing systems. Data in the sector, especially the number of trees, must be accurately determined.

\* In our country, the amount of product varies according to the years, periodicity characteristic is severe. Our production is 170,000 – 200,000 tons in product years and 40,000 – 60,000 tons in non-product years. Therefore, there is a 75% loss of Recolte in the years of absence of the product. In Spain, however, this figure remains at 35-40%. Thus, a continuous supply of products can be ensured by preventing large fluctuations in production. In order to reduce the effect of No year (periodicity) in our country, the improvement of olive varieties, irrigation, spraying and fertilization, etc. maintenance processes should be modernized, for this the support of the olive producer should be provided.

\* Increasing production, in this direction, the production of seedlings should be given weight. However, correct orientation in production is important. Producers plant this olive variety in many places because they can find the easiest “Gemlik sapling”. However, existing olive varieties and types should be determined, certified and genetic maps should be extracted.

\* Regional adaptation is important in the production of seedlings, and planting of varieties identified with the geographical region in other regions should be prevented. Breeding studies should be carried out by selecting varieties showing high crop and tree characteristics from among the native varieties of each region.

\* Our country's olive gene resources should be taken care of and the importation of seedlings should be banned.

\* Fertilization is insufficient and is not done in accordance with its technique. Measures should be taken to encourage fertilization based on analysis. The number of regional laboratories that are close to production zones and where Leaf and soil analysis of producers can be easily done should be increased.

\* Spraying is insufficient and is not done in accordance with its technique. Medicated areas should be expanded. But the drugs used should be compatible with the environment and should not be an obstacle to organic production.

\* 92% of olive groves are not irrigated. It should make absolute use of existing water resources in an idle state, and the use of modern irrigation methods such as drip irrigation should be supported.

\* Terracing work against soil erosion has long been neglected. It should be encouraged by cheap and long-term loans.

\* In Italy and Spain, the yield per tree is 45-50 kg, while in our country, this figure is 1/3. By determining the appropriate pruning types according to regions and olive varieties with a public supported program, collective and uniform pruning practices should be adopted. Older trees should gradually rejuvenate. In this way, our trees will become suitable for machine harvesting and positive results will be formed in the direction of reducing the cost of production.

\* Mechanical harvesting should be encouraged for waste-free and fast olive harvesting, and measures should be taken to facilitate the supply and production of auxiliary materials. In this way, the quality of the olive, which begins to ferment as soon as it breaks off from its branch, will be prevented.

\* In case of using certified seedlings in the newly created facilities, the amount of support provided should also be provided in the zoning of existing traditional olive groves.

\* Waste olive black water formed in olive oil enterprises leads to environmental pollution due to the organic pollution it contains. The problem of territorial water, in all its dimensions, is also addressed by the Ministry of Environment and forestry, but no solution can be found. Three methods can be mentioned to solve the problem. The first is the conversion of existing 3-phase plants into 2-phase and the establishment of a pomace integrated plant for the processing of aqueous pomace obtained as a result of 2-phase processing. The second is to process the 3-phase operation in the pomace integrated plant and evaporate the resulting territorial water in the territorial water evaporation pools at sufficient capacities. Another method is to establish a treatment plant and treat the resulting black water in other areas (as a liquid and solid fertilizer as a result of appropriate processes due to plant nutrients and organic substances such as nitrogen and potassium contained in it). About the treatment plant; The Ministry of Food, Agriculture and livestock, the Ministry of Environment and Forestry and the relevant municipalities should come together and create treatment plants at certain points. Industry support is needed in terms of transformation and facility cost.

\* In order to prevent quality losses, the deterioration in olive oil storage systems should be eliminated and our olive oil should be protected in nitrogen protected stainless steel tanks. For this, modern stocking facilities are needed. Stainless steel tank capacity throughout the country is low.

## **B. PROBLEMS AND SOLUTIONS RELATED TO MARKETING**

\* Increasing our country's olive oil packaged and branded exports and achieving continuous markets is only possible with competition on equal terms with EU countries. Incentives should be developed to increase the export of branded and packaged olive oil, which is currently sold around 15 - 20 thousand tons, and promotional efforts to create the image of Turkish olive oil should be supported.

\* Our country's olive oil consumption is low. It has become almost limited to habit in production areas. As a result of attempts to increase consumption in recent years, there is an upward trend in olive oil consumption. But this increase does not mean that the problem of olive oil consumption is solved. It is easy for consumers who do not have the habit of using olive oil to give up olive oil in the face of price movements.

\* One of the leading problems of olive oil is cheating. For this reason, the market should be monitored regularly, preventing the production and sale of mixed oil. Public audits of mixed oil should be increased and activated.



- \* The health benefits of olive oil have been scientifically demonstrated. Encouraging consumption, especially because it is good for cardiovascular diseases, will lead to a decrease in health expenditures made by the state and individuals for these diseases.
- \* A public-Supported Working Group should be established to promote olive oil, which is the only product that can survive in agriculture and will rise further in the future, to increase its consumption, and to expand the domestic and foreign market.
- \* It is of great importance that Turkey can also export duty-free olive oil to the European Union, at least to benefit from the concessions granted to other countries.
- \* Communique No. 2003/3 on branding Turkish products abroad and supporting activities for placing the image of Turkish goods should be organized in such a way as to more effectively support companies working abroad.
- \* As in Spain and Italy, it should be prohibited to sell olive oil as olive oil mixed with other liquid oils. Because the price of olive oil is 5 times the price of vegetable oil. Mixing and selling is both a fraudulent situation contrary to standards and an economic unfair competition, disrupting the market balance.
- \* Regulations on olive oil in the EU should not be approached only within the framework of the obligation to adopt the Acquis Communautaire, and comparisons should be made between these regulations and our national policies. Full membership should not be expected for the implementation of the community's regulations, which are useful for Turkish Olive Cultivation, in our country.
- \* As a strategic product, olive oil should continue to be supported under the premium system or another name. Premium amount should be known by the manufacturer in advance and should be continuous. The premium that creates its source from within, ensuring the transition to the registered economy, should not be seen as an additional burden to the Treasury, should be sufficient and paid on time.



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